of November 19, 1979 the parties started off "subject to contract", by the letter of December 22, 1979 the plaintiff had made an offer to the defendants, and by the letter of January 18, 1980 the defendants had accepted the offer. Alternatively, the submission for the plaintiff is that if the letter of January 18, 1980 did not constitute an acceptance, it was at least a conditional acceptance (the condition that remained to be resolved being the completion date), and by the letter of January 29, 1980 there was a concluded contract between the parties.

I rejected the submissions made for the plaintiff for the reason that after the first letter of the plaintiff's solicitors dated November 19, 1979 which stipulated that the sale and purchase was "subject to contract", there is nothing in the exchange of letters I have referred to from which it can be said or inferred that there was a change in the intention of either of the parties to create binding legal relations between themselves in any other way. It is in this regard that the facts here are different from the facts in *Griffiths* v. *Young*[1] and the decision of Winslow J. in *Yeo Long Seng* v. *Lucky Park (Pte.) Ltd.*[2] In my judgment the exchange of letters between the solicitors was with regard to the negotiations relating to the making of an Agreement for Sale and Purchase which was to be the contract between the parties. It confirms in my mind what I said in the course of the hearing that to accede to the submissions for the plaintiff would throw into confusion the conveyancing practice in this country. For these reasons the plaintiff's claim was dismissed with costs.

Claim dismissed.

Solicitors: *Andrew Ee & Co.; Sim Teow Goh & Co.*

ANWAR SIRAJ v. TANG I FANG

[O.C.J. (Rajah J.) March 17, 1982]

[Singapore — Motion in Suit 3866 of 1981]

Administrative Law — Disciplinary proceeding — Objection to defendant adjudicating in proceeding — Nemo debet esse judex in propria causa — Whether rule of necessity applies in this case.

Employment — Disciplinary proceeding — Objection to defendant's participation in disciplinary inquiry against plaintiff and to adjudicate thereon — Nemo debet esse judex in propria causa.

The plaintiff joined the Jurong Town Corporation (the Corporation) in November 1973 as an Assistant Secretary. He received subsequent promotions and became Deputy Head of the Development Division in 1980. The defendant was Chairman of the Corporation. In March 1981, the defendant suggested to the plaintiff that he should resign his employment with the Corporation and join Intraco Ltd. The plaintiff refused to comply with the suggestion and did not tender his resignation. On March 31, 1981 he was handed a letter transferring him from April 1, as Administrative Officer, Jurong Port, a post that was below that held by him as Deputy Head, Development Division. He inquired the reason for his transfer and correspondence ensued between him and the Head of the Development Division. He also wrote to the Ministry of Trade & Industry of his dissatisfaction. Thereafter he received a letter of August 13, 1981 from the General Manager of the Corporation accusing him of having committed offences under the "Terms and Conditions of Service" (hereinafter called the Regulations). The plaintiff was asked to show cause within 14 days why action should not be taken against him.

By a letter dated August 24, 1981 addressed to the General Manager, the plaintiff objected to the Chairman adjudicating on 3 of the charges against him, as the Chairman himself was involved in them. The Corporation wrote to him on September 29, 1981 stating that "since the Rules do not provide any alternative procedure, the Chairman is bound to act in accordance with the Rules." On October 15, 1981 the plaintiff sought and obtained an Interim Injunction against the defendant restraining him from proceeding to inquire into offences alleged against the plaintiff and from adjudicating on the matter until further order. The matter came up before the court for further hearing.

Held, allowing the plaintiff's application: (1) the defendant had been properly made party to the proceedings as his presence was necessary for determining the point at issue, namely, as to whether he should be permitted to participate in the disciplinary inquiry against the plaintiff under the Regulations and to adjudicate thereon;

(2) the instant case is one where the Chairman is not able to act as the law has cast a disability on him to act in the same way that section 5(7) of the Jurong Town Corporation Act (Cap. 209) has cast a disability on him to act whenever he has any business in which he is interested;

(3) under section 7 of the said Act it is for the Corporation to appoint and dismiss employees. It is well within the ambit of the powers of the Corporation to relieve the Chairman of the anomalous position in which he unwittingly finds himself by either appointing the Deputy Chairman or any other member of the Corporation to take his place;

(4) as the Regulations were brought into the plaintiff's contract of service by mutual agreement they may also be amended to meet the very special and unusual circumstances of the instant case.

Cases referred to:-

(1) *William Dimes* v. *The Proprietors of the Grand Junction Canal & Ors.* 10 E.R. 301.

(2) *Jackson* v. *Barry Railway Co.* [1893] 1 Ch. D. 238.

(3) *Nuttall* v. *Mayor etc. of Manchester* (1892) 8 T.L.R. 513.

(4) *Robert W. Blackwell & Co. Ltd.* v. *Derby Corporation* (1911) LXXV J.P. 129.

(5) *Bristol Corporation* v. *John Aird & Co.* [1913] A.C. 241.

MOTION IN SUIT.

J.B. Jeyaretnam for the plaintiff.

J. Grimberg for the defendant.

Rajah J.: The plaintiff joined Jurong Town Corporation (the Corporation) in November 1973, having been appointed to a senior officer's post of Assistant Secretary. The Corporation was established in 1968 under the Jurong Town Corporation Act (Cap. 209) (the Act) for the purpose of providing facilities for the management of industrial estates and sites in Singapore and amenities for the advancement of the well-being of the people living and working in such industrial estates and sites. The Corporation consists of a Chairman, a full-time officer of the Corporation, a Deputy Chairman and 15 other members.

The following sections of the Act are, to my mind, relevant to the issues raised in this Motion:—

Section 5(5) of the Act provides:

"(5) If for any reason the Chairman is absent or unable to act or the office of Chairman is vacant, the Deputy Chairman or in the absence of both the Chairman and the Deputy Chairman any member of the Corporation duly appointed by the members present at any meeting of the Corporation may exercise all or any of the powers conferred, or perform all

or any of the duties imposed, on the Chairman under this Act."

Under section 5(7):

"(7) A member of the Corporation shall not, in any meeting of the Corporation, participate in any discussion relating to, and shall not vote in respect of, any business in which he is interested, and if he does so his vote shall not be counted nor shall he be counted in the quorum present at such meeting."

Section 7(1) and (2) read as follows:

"(1) The Corporation may from time to time appoint and employ such officers and servants as may be necessary for the purposes of this Act and may from time to time dismiss them.

(2) All officers and servants of the Corporation shall be under the administrative control of the Corporation."

Sometime after the Corporation came into existence the Corporation formulated a set of service rules and regulations for its monthly paid employees known as the "Terms and Conditions of Service" (hereinafter referred to as "the Regulations") which amongst other things provided for the conduct and discipline of its employees.

The plaintiff received promotions after his appointment on contract, of which the Terms and Conditions of Service formed part, and, on September 1, 1976, was appointed Secretary of the Corporation and so became the Head of the Secretariat Division, one of seven Divisions in the Corporation.

In May 1980, as a result of re-organisation, the Secretariat Division was absorbed by the Development Division. The plaintiff was again promoted to the post of Deputy Head of the Development Division in the superscale grade; he covered the duties of the Head whenever the latter was away.

As for the defendant, he was appointed Chairman of the Corporation for a term of one year on April 1, 1979 and his appointment was renewed for a further 2 years from April 1, 1980. Some two or three weeks before March 31, 1981 the defendant suggested to the plaintiff that he should resign his employment with the Corporation and join Intraco Ltd., a company incorporated in Singapore. The plaintiff did not accede to the Chairman's suggestion and declined to tender his resignation.

On March 31, 1981 he was handed a letter transferring him from April 1 as Administrative Officer, Jurong Port, a post that was below that held by him as Deputy Head, Development Division. He inquired the reason for his transfer and correspondence thereupon passed between him and the Head of the Development Division. He also wrote to the Minister of Trade & Industry of his dissatisfaction.

Arising from the correspondence he received a letter on August 13, 1981 from the General Manager of the Corporation (Appendix I) accusing him of having committed offences as set out in the Schedule thereto (Appendix II) under the Regulations and requiring him, pursuant to rule 119(2)(b) of the Regulations, to show cause within 14 days why action should not be taken against him. Regulation 119 is set out in Appendix III.

By a letter dated August 24, 1981 addressed to the General Manager the plaintiff objected to the Chairman adjudicating on three of the charges against him, as the Chairman himself was involved in them. Further correspondence ensued culminating in the letter dated September 29, 1981 wherein the Corporation took the view that "since the rules do not provide any alternative procedure, the Chairman is bound to act in accordance with the rule".

It is in these circumstances that the plaintiff commenced proceedings on October 15, 1981 against the defendant for an order to restrain him from proceeding to inquire into offences under the Regulations of the Jurong Town Corporation, alleged against him and from deciding his guilt thereon and from taking any part whatsoever in the inquiry into the said offences.

On the same day the plaintiff obtained an Interim Injunction against the defendant restraining him from so proceeding and so deciding until further order. The matter has now come up for further hearing before me.

Mr. Grimberg, counsel for the defendant, raised two defences on behalf of his client, namely (1) that the plaintiff is suing the wrong party and (2) that, if the defence of (1) was unavailable to him, then, he would rely on the Rule of Necessity to take him out of the common law principle that no man shall sit in judgment over his own case (*Nemo debet esse judex in propria causa*).

Defence (1): That of the Wrong Party being sued

At the very outset of his case Mr. Grimberg contended that the defendant was not the proper person to be sued herein and submitted that it was the Corporation who should have been defendant; in furtherance of his contention he drew my attention to the fact that all the letters that had been written to the plaintiff on this matter were by the General Manager of the Corporation and not by the defendant.

There is no evidence before me that this matter had ever been brought before the Board of the Corporation, which, under the Act, is authorised to appoint and dismiss employees (section 7(1)). From the evidence before me the only persons who were aware of what was going on in reference to these charges against the plaintiff were (1) the defendant himself, (2) the Head of Division to which the plaintiff belonged and (3) the General Manager, who was the Chief Administrative Officer of the Corporation.

The plaintiff does not object and has never objected to a disciplinary inquiry on the charges being conducted by the Corporation; on this he has no quarrel with the Corporation. What he does object to is to the defendant, who is personally involved in some of the charges, acting and exercising his powers as Chairman under Regulations 119(3), 119(4) and 119(5). Mr. Jeyaretnam, counsel for the plaintiff, says that, this being the situation, there is no real need to bring in the Corporation as a defendant. He also referred me to Order 15(6) Rules of Supreme Court which reads:—

"6.—(1) No cause or matter shall be defeated by reason of the misjoinder or nonjoinder of any party; and the court may in any cause or matter determine the issues or questions in dispute so far as they affect the rights and interests of the persons who are parties to the cause or matter."

There has never been any dispute between the plaintiff and the Corporation as to its right to take disciplinary action against the plaintiff and no restraining order is being sought against the Corporation, as such. What is in dispute is whether the Chairman, the instigator and the sole witness in some of the charges against the plaintiff, should participate in these proceedings, more particularly in pronouncing guilt under rule 119(4). In these circumstances the defendant, in my view, has been properly made party to these proceedings as his presence is necessary for determining the point at issue, namely, as to whether he should be permitted to participate in the disciplinary inquiry against the plaintiff under Regulation 119, and to adjudicate thereon.

Defence (2): Rule of Necessity

Mr. Grimberg, quite rightly in my view, conceded from the Bar that, as the defendant is acting here in a quasi-judicial capacity, the rules of natural justice apply and that the common law rule applicable to the disciplinary inquiry is that of *Nemo debet esse judex in propria causa,* which is that a judge may not have a personal or pecuniary interest or involvement in a case which he tries. He concedes that in the instant case the defendant is personally involved in at least three of the five charges but, to take his client outside the ambit of the common law rule, he relies on what is known as the rule of necessity, which according to *Flick* on Natural Justice (1979 Edn.) "is perhaps the greatest single common law exception to the general rule that an adjudicator who appears to be biased or prejudiced must disqualify himself from participating in a proceeding. The rule is firmly established in both English and Commonwealth jurisdictions and in American jurisdictions and it is to the effect that disqualification of an adjudicator will not be permitted to destroy the only tribunal with power to act. The rule applies regardless of whether the disqualification arguably arises from the combination of prosecutorial and judicial functions, pecuniary interest, personal hostility or bias . . ." (Pages 138 and 139). He says that the situation here is such that the defendant has no other option but for him to act under Regulation 119(4) and for this proposition he relies strongly on two cases, one of which is a House of Lords case, namely *William Dimes* v. *The Proprietors of the Grand Junction Canal & Ors.* (*The Dimes Case*[1]) and the other, a Court of Appeal one, namely *Jackson* v. *Barry Railway Co.*[2]

Mr. Jeyaretnam for his part does not dispute the law as to the rule of necessity propounded by Mr. Grimberg, but says that the instant case is not covered by the rule of necessity as there are limitations to the operation of the rule and he too refers me to the same *Flick* on Natural Justice where the limitations are set out on pages 140 and 141:—

"One suggested limitation is that the rule is inapplicable if the disqualification of a member will still leave a quorum of an administrative agency capable of acting. Clearly the rule is inapplicable where the statute provides an alternative forum to the biased tribunal or where the statute contemplates that a majority of the agency can reach a decision. Page 140 para. 2).

Perhaps a final limitation is that even the rule of necessity will not justify an adjudicator sitting where actual bias can be shown. The law as to bias rests upon the existence of a real likelihood of bias and the consequence that a hearing may be unfair:" (Page 141 para. 1).

In the House of Lords case of *Dimes* (*supra*) the Lord Chancellor, who was a substantial shareholder in a company which was party to the appeal, had, by virtue of his office as Lord Chancellor under the court's rules of procedure, to act by enrolling the appeal to the House of Lords. The Lord Chancellor was the only person under the court's rules of procedure who could enrol the appeal to the House of Lords. Similarly, says Mr. Grimberg, the Chairman in the instant case is the only person who can act under Regulation 119(4). In the *Dimes* case the formal act of enrolment by the Lord Chancellor was merely a ministerial act executed for the purpose of transmitting the appeal from the Court of Appeal to the House of Lords but such is not the position in our case where under Regulation 119(4), the Chairman has, on receipt of the report together with the statement of the employee, to act judicially (1) by considering the whole matter, (2) call for further information if thought fit and (3) pronounce guilt or otherwise against the employee whose conduct is being inquired into.

In the case of *Jackson* v. *Barry Railway Co.* (*supra*) the question there was whether the arbitrator, who was the engineer in charge of the contract, had by writing a letter to the contractor, repeating his former view after the matter had been referred to him for arbitration, showed that he had finally made up his mind on the point of reference and had therefore disqualified himself to act as arbitrator. Kekewich J. held that the said letter showed that the engineer had finally made up his mind on the point and was therefore disqualified to act as arbitrator. On appeal it was held that "considering the position of the engineer who, as engineer of the company, must necessarily have already expressed an opinion on the point in dispute, his writing after the commencement of the arbitration a letter repeating the same opinion would not disqualify him from acting as arbitrator unless, on the fair construction of the letter, it appeared that he had made up his mind so as not to be open to change it upon argument."

What the Court of Appeal by a majority (A.L. Smith L.J. dissenting and upholding the trial judge Kekewich J.) decided was that the letter in question did not, upon its fair construction, show that the engineer had precluded himself from keeping an open mind. In the instant case the question is not one of whether the Chairman had by any of his acts shown that he has precluded himself from keeping an open mind. Here the question is a different one. Can the defendant who is the accuser in three of the charges and perhaps the sole witness in those charges on the prosecutorial side be permitted to find guilt on these charges against the plaintiff?

In *Nuttall* v. *Mayor etc. of Manchester*[3] the Divisional Court (Mathew and A.L. Smith JJ.) thought that the arbitrator would be judge in his cause and would be deciding on whether or not he had himself been guilty of professional negligence and so refused an application by the Manchester Corporation to stay an action brought by the plaintiffs, contractors of Manchester, as being contrary to an agreement to refer to arbitration. In the course of his judgment Mr. Justice A.L. Smith had this to say,

"There was also a further fact that at a certain period there was a special and peculiar friction between the contractors and the city surveyors which led up to a supplemental agreement. There were circumstances which, without any reflections being thrown on the city surveyor, made him an improper person to act as arbitrator in this case."

There are two other cases, which, in my view, are pertinent to a decision in the instant case.

The first is that of *Robert W. Blackwell & Co. Ltd.* v. *Derby Corporation,*[4] where works were constructed for a local authority under a contract which provided for the reference of disputes thereunder to an officer of the local authority, and the contractor sued the local authority on the contract, the court would not order the action to be stayed on the submission to arbitration, where the contractor charged the arbitrator with unreasonable conduct in relation to the works, and it appeared that there was a substantial dispute between the parties as to the conduct of the arbitrator. Counsel for the appellant (contractors). Atkin K.C. before the Court of Appeal contended that "the great point of distinction between this case and almost all the decided cases is that from start to finish the engineer obviously must be a witness on the other side, and to refer this matter to him under these circumstances would amount to a denial of justice." (page 131, 3rd column). In allowing the appeal by denying a stay, Fletcher Moulton L.J. had this to say,

"I do not want to say any more about the facts of the case excepting this, that I am satisfied that there is a substantial dispute of this kind, and I do not think we ought to force it to be tried by the engineer whose conduct is practically the sole point in dispute."

(Page 132, bottom of column 1).

In the instant case similarly the alleged conduct of the defendant and his alleged unfair treatment of the plaintiff are very much points in dispute.

The other is that of the House of Lords case of *Bristol Corporation* v. *John Aird & Co.*[5] The headnote to the case reads,

"Where a contractor executes works under a contract containing a provision for the reference of disputes to the engineer of the other party to the contract, and upon the settlement of the final account there arises a *bona fide* dispute of a substantial character between the contractor and the engineer involving a probable conflict of evidence between them, the fact that the engineer, without any fault of his own, must necessarily be placed in the position of judge and witness is a sufficient reason why the matter should not be referred in accordance with the contract; and the court will therefore refuse to stay an action by the contractor for payment of the account."

Decision of the Court of Appeal affirmed, which in turn had affirmed an order of Scrutton J. The following passages from the speech of Lord Atkinson I found relevant to the instant case:—

"My Lords, I have listened with great attention to the able arguments which have been addressed to the House, and I am utterly unable to get rid of the notion that upon two of the most important matters, namely, this filling and the excavation between the monoliths, Mr. Squire will necessarily be at once in the position of a judge and a witness. I think he must necessarily be in that position. I cannot imagine any position more unpleasant, any position more undesirable. If he be really a witness, then he must, in effect, be examined himself, and cross-examined before himself, and he must decide upon his own veracity or reliability. I think there could be no stronger reason to induce the court not to exercise their discretion to stay the action than that any gentleman who has taken upon himself the duties of arbitrator should be put in such an entirely anomalous position. (Page 248)

My Lords, there is another matter on which Mr. Gore-Browne dwelt and some length; he says that it must have been contemplated by the parties that questions of this character would arise, and that therefore they must have been assumed to have contracted that they would go to arbitration, notwithstanding the fact that in that arbitration the arbitrator would be put in the position of judge and witness. My Lords, I cannot read anything in the contract to that effect. The parties must be held to have contemplated that they would have to go before a man with preformed views, but not to have contemplated that he would put himself in the position of a witness and adjudicate under such circumstances. This is, I think, to push matters to an extreme that is unwarranted." (Page 251)

Again the speech of Lord Dunfermline,

"My Lords, it does not appear to me that a much clearer case could arise for relief being operated under section 4 of the Act of 1889. For this is more than a mere embarrassment of procedure: it is a contradiction of terms to say that the judge can appear as his own witness, be examined and cross-examined, and pronounce judgment upon his own memory, credibility, or evidence. Such a thing is a traverse of all ideas of judicial decorum."

Under section 5(5) of the Act the Deputy Chairman of the Corporation or one of the members thereof could act in matters concerning the Corporation wherever the Chairman is either absent or unable to do so. In my view, the instant case is one where the Chairman is not able to act as the law has cast a disability on him to act in the same way that section 5(7) of the Act has cast a disability on him to act whenever he has any business in which he is interested. There is yet another way the Corporation can resolve the problem of the Chairman's anomalous position. Under section 7 of the Act it is for the Corporation to appoint and dismiss employees. It is well within the ambit of the powers of the Corporation to relieve the Chairman of the anomalous position in which he unwittingly finds himself by either appointing the Deputy Chairman or any other member of the Corporation to take his place.

As the Regulations were brought into the plaintiff's contract of service by mutual agreement they may also be amended to meet the very special and unusual circumstances of the instant case.

There will therefore be an order in terms of the Motion. In furtherance of the disciplinary proceedings herein already instituted I direct that action be taken under section 5(5) of the Act. Costs of this Motion to the plaintiff.

Order accordingly.

Solicitors: *J.B. Jeyaretnam & Co.; Drew & Napier.*

APPENDIX I

13 August 1981

Mr. Anwar Siraj
Jurong Port
Jurong Port Road
Singapore 2261.

Dear Sir

I have received and considered a report from your Head of Division, and have reason to believe that you have been guilty of serious offences against the Rules governing the General Conduct and Discipline of employees of the Corporation.

There is enclosed with this letter a Schedule setting out the offences of which you appear to have been guilty. You

are required, pursuant to Rule 119(2)(b) of Part VII of the Rules to show cause, within 14 days of the receipt by you of this letter, why action should not be taken against you. You may show cause by making a statement orally or in writing. Please let me know if you wish to show cause orally, in which event I will make arrangements for your statement to be recorded in writing in the presence of a Senior Officer deputed by the Secretary.

Yours faithfully
Sgd.
FRANCIS K. T. MAK
General Manager
Jurong Town Corporation

APPENDIX II

SCHEDULE

1. In breach of Rule 97 of the Rules of the Jurong Town Corporation (Part II — General Conduct and Discipline) which requires that you should carry out your duties faithfully, or alternatively in breach of an implied term of your contract of service which requires that you shall not do any act incompatible with your continued employment as an officer of the Corporation, you wrote a letter dated the 19th May, 1981 to the Deputy Principal Director (Admin) in which you, *inter alia,* described the Chairman of the Corporation as a liar, accused the Chairman of covering up his lies, and repeated an earlier allegation that you had been threatened by the Chairman and had been discriminated against by the Corporation. A copy of your said letter is attached marked "A".

2. In breach of Rule 97 of the Rules of the Jurong Town Corporation (Part II — General Conduct And Discipline), as aforesaid, or alternatively in breach of an implied term of your contract of service which requires that you shall not do any act incompatible with your continued employment as an officer of the Corporation, you wrote a letter dated the 19th May, 1981 to the Minister of Trade & Industry in which, *inter alia,* you accused the Chairman of discrimination and victimisation, of telling half truths and lies and of threatening you. A copy of your said letter is attached marked "B".

3. In breach of Rule 97 of the Rules of the Jurong Town Corporation (Part II — General Conduct and Discipline), as aforesaid, or alternatively in breach of an implied term of your contract of service which requires that you shall not do any act incompatible with your continued employment as an officer of the Corporation, you wrote a letter dated the 22nd June, 1981, to the Deputy Principal Director (Admin) in which you accused him of making a false statement in a letter which he wrote you on the 19th June, 1981, and of covering up lies, and further in which you accused the management of the Corporation of abuse of power, discrimination and victimisation. Copies of the said letters are attached marked "C" and "D" respectively.

4. In breach of Rule 97 of the Rules of the Jurong Town Corporation (Part II — General Conduct And Discipline), as aforesaid, or alternatively in breach of an implied term of your contract of service which requires that you shall not do any act incompatible with your continued employment as an officer of the Corporation, you wrote a letter dated the 23rd June, 1981, to the Minister of Trade And Industry under cover of which you enclosed a copy of your letter referred to in 2 above, and in which you accused the Chairman of discrimination and victimisation. A copy of your said letter is attached mark "E".

5. In breach of Rule 103 of the Rules of the Jurong Town Corporation (Part II — General Conduct And Discipline), and/or a written undertaking dated the 7th November, 1973, given by you to the Corporation, you retained and furnished to the Minister of Trade & Industry under cover of the letter referred to in 2 above, a document of a secret and confidential nature, namely a copy of JTC Memorandum No. 55/80.

APPENDIX III

TERMS AND CONDITIONS OF SERVICE

119 (1) When a Head of Division considers that an employee of his Division may have been guilty of misconduct or neglect of duty or any offence against any of these Rules, he shall without delay fully investigate all the circumstances of such suspected offence, and shall as soon as possible, forward a full report on the matter to the Chief Administrative Officer through the Secretary.

(2) If after considering a report from a Head of Division, the Chief Administrative Officer considers that there is reason to believe that the employee concerned has been guilty of:—

(a) a minor offence against any of these Rules, the Secretary shall conduct an investigation into the matter, and the officer shall be entitled to know the case made against him and shall have a reasonable opportunity of replying thereto;

(b) a serious offence, against any of these Rules, the Secretary shall inform such employee in writing of the offence alleged against him and call upon him to show cause within 14 days why he should not be punished for the offence alleged, and such employee may make a statement in writing or orally. If made orally such statements shall be made and recorded in writing in the presence of a Senior Officer deputed by the Secretary.

(3) The Secretary shall then report the matter to the Chairman through the Chief Administrative Officer together with any statement made by such employee.

(4) Upon receiving any report sent in accordance with sub-paragraph (3) the Chairman shall consider the whole matter and, after calling for any further information he may think fit, record in writing whether in his opinion such employee is guilty of any offence against any of these Rules.

(5) If the Chairman or the Chief Administrative Officer is of the opinion that a Senior Officer or a Junior/Subordinate Officer, respectively is guilty of an offence against any of these rules, he shall impose a penalty such as fine, withholding, stoppage or deferment of increment, suspension from duty without pay or whatever punishment he considers fit provided that if the punishment is dismissal from the service, he shall refer the matter to the Corporation or Chairman as appropriate for a confirmation of his decision. In cases which might lead to the dismissal of the officer, the Chairman or the Chief Administrative Officer, as appropriate, may, before taking a decision, refer the report under sub-paragraph (4) to the appropriate Staff Committee for its recommendation.